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ABSTRACT

The vocational education and training (VET) reforms currently under way in Central and Eastern Europe and the New Independent States are distinguished by the breadth, range, depth, and speed of the reforms proposed or already initiated. The European Union has assisted the reform process through its Phare and Tacis programs. The following have been among the areas affected by vocational reforms in Central and Eastern Europe and the New Independent States: the VET model; legislation and distribution of students; funding; role of companies and human resources planning; VET qualifications and examination; and teaching staff. The reform processes in Central and Eastern European countries on the one hand and the New Independent States and Mongolia on the other hand have developed in very different directions. In all of these countries, however, it has become clear that training can no longer be reserved for the young. Among other things, VET policies must be designed to achieve the following goals: maintain macroeconomic stability; contain costs and mobilize additional financial resources; promote educational choices for young people and adults; regulate labor markets by maintaining qualification standards; ensure access to education and training for all; and strengthen institutional capacity to implement the reforms. (MN)

The Role of Vocational Education and Training in Transition Countries: The Case of Central and Eastern Europe and the New Independent States

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INTRODUCTION

'Transition' indicates the act of passing from one stage of development to another. Societies, even 'established' ones, are undergoing continuous review and change. As regards vocational education and training, this implies a permanent adaptation of the system to technological and social change.

The notion of 'transition countries' is not new. History has seen many examples of countries trying to adapt to a new economic and social order. We also refer to 'transition countries' when we speak about Central and East European countries and the New Independent States, whose developments in the field of vocational education and training shall be reviewed in this paper. The region in question includes in principle all former 'Eastern bloc' countries that have, in the context of their transition to a market economy and a democratic society, undergone tremendous political, economic and social change after the collapse of the socialist system in 1989.

In comparison with the context in which reforms usually take place, the current vocational education and training reforms in Central and Eastern Europe and in the New Independent States (particularly in the more advanced Central and East European countries), have two very unusual aspects. Firstly, the breadth, range and depth of education and training reforms proposed or already started is extraordinarily large. They concern all levels and sectors of vocational education and training: legislation, management and administration, the financing of the system, vocational education and training institutions, programmes and personnel. They also include the creation of new vocational education and training institutions and the design of completely new types of curricula.

Secondly, the speed of the reform process is also quite exceptional. Conceiving educational reforms in established systems usually takes a relatively long time. Vocational education and training reforms in Central and Eastern Europe and in the New Independent States have been designed, adopted and launched in a matter of months rather than years.

This process is, of course, not isolated from the overall transition process in Central and Eastern Europe and the New Independent States. The global nature and speed of vocational education and training reforms have their roots in the general climate of rapid and radical change which those societies are undergoing and which aim at the transition to a market economy and a pluralistic democracy.
The past nine years have shown that the process of modernisation can be started quickly. However, deeper, systematic reforms in vocational education and training will take time. It will be a matter of a whole generation rather than a couple of years.

EUROPEAN UNION PROGRAMMES TO SUPPORT REFORMS IN CENTRAL AND EASTERN EUROPE AND IN THE NEW INDEPENDENT STATES

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Financial aid and technical assistance to support Central and Eastern European countries and the New Independent States in their reform efforts is provided by multilateral organisations such as the World Bank or the European Union, as well as bilateral donors including individual Member States of the European Union and other OECD countries.

The European Union grants financial support through two programmes:

The **Phare Programme** is a European Union initiative which was launched in 1990. Countries eligible for Phare support include Albania, Bulgaria, Bosnia-Herzegovina, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic, Slovenia and the former Yugoslav Republic of Macedonia. The main aim is to support these countries in the process of economic transformation and the strengthening of democracy. For those countries which have applied to join the European Union, special effort is being made to assist them to reach the stage where they are ready to assume the obligations of membership. The Phare budget available between 2000 and 2006 is expected to amount to ECU 10.5 billion. Some ECU 6 billion was allocated between 1993 and 1999, making Phare the largest assistance programme of its kind.

The **Tacis Programme** which was launched in 1991 is a European Union initiative for the New Independent States of: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan. This programme fosters the development of harmonious and prosperous economic and political links between the European Union and its partner countries. Its aim is to support partner country initiatives to develop societies based on political freedom and economic prosperity. It provides funds for know-how to support the process of transformation to market economies and democratic societies.

Staff development, in particular through training, has always played a central part in Phare and Tacis sector reform programmes. In addition, vocational education and training has been acknowledged by the Phare Programme as a sector in its own right. Amounts ranging from ECU 3 to 25 million have been allocated to each of the countries eligible to participate in the programme. However, vocational education and training has only recently become a priority sector for Tacis funding. To date programmes have been endorsed for Moldova, the Russian Federation and Uzbekistan.

The Socio-Economic Context of Vocational Education and Training Reforms in Central and Eastern Europe and in the New Independent States

Before 1989, education and training in Central and Eastern Europe and the New Independent States was designed to meet the needs of centrally planned economies. Under the Comecon (1) arrangements, there was a division of labour whereby one country would provide the other countries with supplies of particular commodities. This led to an over-concentration of certain industries and the complete neglect of others. Furthermore, areas such as crafts, commerce, banking, accountancy, financial control, insurance and entrepreneurship remained underdeveloped.

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1 Comecon= Council for Mutual Economic Aid, the former economic organisation established to encourage trade and friendly relations among nine communist countries, including the Soviet Union

Under the former system, vocational education and training was tailored to the needs of large companies employing excessive numbers of staff, with low levels of innovation and productivity, following a tayloristic scheme of work organisation and offering menial jobs. Training was very often directed towards a life-time job. As mentioned above, crafts, trades and service professions were seriously neglected. Standards of equipment in vocational education institutions reflected the poor technological standard of industry itself. Ministries of Education or sector ministries in charge of vocational education and training were traditionally strongly involved in defining the scope, contents and length of vocational education programmes, thus encouraging high rigidity and fragmentation within the system.

From 1989, the countries of Central and Eastern Europe and the New Independent States have undergone political and economic changes which are fundamental and more far-reaching than any in the past. These changes encompass all aspects of life, from the democratic structure of society, to the privatisation of enterprises, to the subjects studied by young people and adults at educational establishments.

Since 1989/90 the economies in most of these countries have experienced deep adjustment crises. Land reform and privatisation have, on paper, been completed in a number of countries. However, the definitive settlement of property rights, the establishment of functioning land markets and the restructuring of industries are still on-going processes which are far from completion. In particular the absorption of surplus labour from both the farm sector and the previously labour-intensive industrial sectors such as coal mining and the steel industry which are now in decline and pose a major challenge. Traditional established links between schools and large state enterprises were dismantled as the latter closed down their training facilities due to a lack of resources.

The countries in question are seeking trade links and export opportunities in their neighbouring Western countries where standards are particularly high. New investors enforce new strategies and require skills, which are currently in short supply. To add to the burden, a large number of local enterprises are facing serious financial crises. The restructuring or closing down of companies will inevitably lead to increasing unemployment - a phenomenon largely unknown in former times.

The above-described tendencies, alongside the enormous pressure on companies to raise their level of competitiveness, result in an increased demand for training and retraining of the labour force. Short and long-term training programmes will need to be carried out to equip people with the new skills required by industry and the developing service sector, to prevent them from being socially excluded.

The Vocational Education and Training Situation in Central and Eastern Europe and the New Independent States at the Start of Reforms

Given the similarity of the political and economic systems, Central and Eastern European countries and the New Independent States shared a common starting base for reforms in 1989/90. Education and training systems were characterised by common structures and underlying organisational patterns.

Responsibilities

While the Ministry of Education was responsible for the majority of vocational education institutions and for the overall education policies, other ministries were and still are in charge of schools within their sector. This division of responsibilities was an obstacle to both the design of

an overall reform policy framework at the start of reforms and the major restructuring of the school network.

All decisions over budgets, staff allocations, curricula, textbooks, etc. were traditionally taken by the ministries, while regional and/or local education authorities, as well as school directors were mainly `implementers` of these decisions. Initiative and individual responsibilities were not encouraged. Social partners, i.e. employers' and employees' representatives, and other key stakeholders were not involved in policy discussions and decision-making.

The Vocational Education Model

In most countries there were two distinct types of curricula in the system of vocational education: the curriculum offered in vocational schools (for skilled workers) and that provided in post-secondary technical schools (for technicians). Vocational schools provided education and training for grades 9 or 10 to 12. Post-secondary technical schools - the higher level of vocational institutes - offered programmes of between 2.5 and 4 years duration.

As vocational education was always perceived as a continuation of general education, there was a predominance of general gymnasium subjects in vocational education programmes which left little space for special theoretical subjects. Graduate students had therefore limited vocational knowledge and skills when they sought employment.

Legislation and Distribution of Students

The education sector was regulated as a whole. Education legislation did not usually take the specific aspects of vocational education and training into account.

The distribution of secondary level students between general and vocational education paths varied in the individual countries and represented between one and two thirds of the overall age group. In view of the permanent shortage of skilled workers in the enterprises of the socialist states resulting from inefficient work organisation and the 'hoarding' of human resources, one of the main tasks of upper secondary education was to direct the large majority of young people into the various paths of vocational education. However, a common feature among these countries was the relatively low social status of vocational education.

Funding of the System

Traditionally, costs for vocational education and training were shared between the state and the big (state) enterprises. Before 1990 state investment in education in relation to the countries' GDPs was relatively high. This education investment still paid off in the first years of reform. However, the proportion of the budget earmarked for vocational education and training was traditionally quite low. An additional financial burden was added when the economic restructuring processes started and most employers withdrew from their former involvement in training.

Funds were, by and large, sufficient to cover the running costs of the system (teacher salaries, operational and maintenance costs of schools, etc.). However, only a very small budget was available for actual investment.

The need to establish a social benefit system coupled with rising unemployment and increased demand, on a massive scale, for training and retraining to cope with the economic adaptation and

restructuring processes added another financial burden on the state budget. As a result, a major reshuffling of funds earmarked for training is required.

Given the numerous reform tasks in these countries after 1989/90, a major increase in funding for the vocational education and training sector could not be expected. Assistance from external donors was needed without which most of the countries would not have been able to kick-start reforms.

Role of the Companies and Human Resources Planning

State-run enterprises had an important rc le in providing practical training for students in school-based vocational education and training. Training took place within a dual system where the vocational school was often part of a state-owned company. The utilization of labour resources was centrally planned on the basis of the manpower resources requirements of individual enterprises. The school became an agent of the company helping to train a workforce according to the needs of the latter.

With the breakdown of the centrally planned system, the former well established links between schools and companies vanished. This was a serious problem as specific vocational training had been carried out for the last 50 years in companies, while schools catered for general subjects and the basic introduction to working life. The contact with companies ceased, and the state did not have the resources needed to compensate for this loss. The result was that schools were left with out-dated and poor quality equipment, and became uncertain of their new role.

Vocational Education Qualifications and Examinations

Under the former system vocational schools provided education and training for strictly defined specialisations. A curriculum pre-defined in terms of content and lesson/hours was the main feature of the system. There was a restrictive and inflexible 'input' control, and at the same time there was a widely different school-based 'output' quality system with arbitrary examinations.

With the collapse of the central planning system after 1989/90, there was a great uncertainty as to which qualifications should be selected. The situation was complicated by an absence of overall government economic policies indicating priority economic sectors for development. Industry representatives and new entrepreneurs lacked the essential methodology to identify their training needs based on business plans which could have provided valuable input to ministries and schools on the skills requirements of the labour market.

Schools had to predict themselves which qualification profiles the companies may require. As a result, they often had to build their programmes on a conceptual world and concentrated on increasing the 'academisation' of technical vocational education.

The Teaching Staff

There were three different types of teachers in the vocational schools and the differences were significant. The teachers of general education subjects were educated at some university and highly specialised. They had, in parallel to their subject, learned pedagogy at the university. These general education teachers lacked essential practical knowledge and skills and were, of course, not trained in new technologies. The 'academisation' of vocational education was due in particular to this

group of teachers.

The vocational subject theory teachers comprised a middle group: they received a technical education (e.g. engineering) and some of them had taken in-service training courses in pedagogy from universities or other institutions.

A large group of workshop instructors, i.e. supervisors of practical training in workshops or companies, had skilled worker qualifications but no pedagogical education at all.

The qualifications of the three groups of teachers and trainers/instructors represented a significant barrier to the development of the vocational education system. The main challenge was to integrate these teaching groups and create a more holistic system of pre-service and in-service teacher and instructor training.

THE PRESENT CHANGE PROCESS

Since the beginning of the reforms in 1989/90 the individual Central and East European countries and the New Independent States have developed in different directions. There are huge differences as to the state of play of vocational education and training reforms between the Central European countries on the one hand and the New Independent States and Mongolia on the other. In general, one can say that reforms in the New Independent States and Mongolia are much slower given the extreme scarcity of resources, the high degree of central control and the lack of efficient management structures. Reforms in Central and Eastern Europe were often initiated from the grassroots level. This difference in development is the reason why the nature of vocational education and training reforms and related challenges will hereinafter be reviewed separately by geographical region.

However, it is important to note that even within these two groups of countries the picture is anything but homogenous, depending on the time when reforms started, overall economic and political dynamics, legislative frameworks, history, culture and ideologies, the importance attached to education and training compared to other sectors and the extent of external support.

Central and Eastern Europe

Since the beginning of the economic and social reform process, Central and Eastern European countries (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia), have undertaken reforms to adapt vocational education and training provision to the new challenges of the labour market.

As mentioned before, funds from many donors, in particular the European Union's Phare budget, were used initially to address the most urgent needs of the system after the collapse of the centrally planned economies. At a later stage more substantial reforms began.

Initial activities concentrated on:

- the revision of existing, and the development of new curricula with the aim of providing training for a range of rather broad-based occupations, partly within new sectors of economic activity, such as banking, finance, etc.;

- staff development on a wider scale, including training for policy-makers, education administrators at all levels, representatives from employers' and employees' organisations, school managers, curriculum authors and teachers;

- the upgrading of school equipment;

- the establishment of partnerships with training institutions in European Union Member States, and

- the drafting of policy papers on the main directions of vocational education and training reforms and the adoption, in most countries of the region, of new laws regulating specific aspects of the work of vocational education institutions.

Policy papers that have been or are being developed in most countries of the region provide for the following objectives of vocational education and training reforms:

- new principles of decentralised management, involving tripartite decision-making processes;

- new, more flexible funding mechanisms to give more freedom for decision making and room for innovations to institutions;

- the development of an integrated initial and continuing training system, making maximum use of resources and exerting a reduced level of control over the quality of vocational education and training provision;

- a diversification of the vocational education and training structure, comprising applied higher professional institutions at pre-university level and aiming at an increased horizontal and lateral mobility of students in the system; and,

- a re-orientation of the focus of vocational education and training on employers' current and future needs and the involvement of social partners in decision-making processes through the setting-up of structured communication mechanisms.

Vocational education and training reforms were kick-started through a pilot school approach, empowering staff at a local level to develop new curricula and methodologies of work. This approach reflects both the change of mentality and the democratic nature of the reforms in Central and Eastern Europe.

One weakness of this approach was the partial lack of guidance from the central level, especially in the start-up phase of reforms when overall education and training reform policies were still absent, support institutions did not exist or were unsure of their role, when neither a revised curriculum development model nor new industry-based qualification standards had been adopted at national level, etc. Schools acted mostly on their own to develop new vocational education models. Bilateral donors supported different curriculum models through technical know-how, although in some cases these took little or no account of the prevailing needs or scope for replicability in other schools.

Another weakness of the pilot schools approach may also be the fact that they are likely to become elitist and isolated from mainstream education and training provision, if national authorities do not accept and back up reform initiatives - legally, but also financially - and disseminate reform

outputs over the entire country.

In conclusion, reform efforts were especially successful in those countries where both the national, regional and local levels had worked to common targets in a complementary top-down and bottom-up approach.

While it is too soon to draw firm conclusions concerning the sustainability of the initiated reforms in Central and Eastern European countries, the main impacts to date of these 'pilot school' initiatives include the following:

- the partial change of pedagogic attitude of teachers (and students) both towards curricula more oriented to new labour market needs and new active learning styles, which ultimately increase the employment prospects of graduates;
- a change in the schools' management style;
- new syllabuses, equipment and materials which have been developed to a coherent design;
- improved communication between the Ministries of Education and Labour and sector ministries still retaining a degree of responsibility for vocational education and training, regional & local administrations, central employers' and employees' organisations, training institutions and individual employers in the region;
- a positive attitude towards the opportunities that greater decentralisation of the management of education and training offers both to training institutions and local/regional authorities, and,
- new approaches to assessment and quality assurance.

The main drawbacks of the first phase of vocational education and training reforms in some of the Central and Eastern European countries include the fact that reform programmes were generally launched on the basis of insufficient labour market information. Countries are only now gradually changing the nature of curricula reforms from being education-driven to more demand-driven, involving industry representatives in a systematic way. In addition, most countries have yet to integrate their different reform initiatives into an overall education and training policy framework and to determine the roles and functions assigned to different players in the system.

The New Independent States and Mongolia

The enormous economic and social pressure faced by the New Independent States and Mongolia has also had an impact on the vocational education and training sector. Regular cuts in state allocations of funds for education, and a reduction in the contributions formerly paid by enterprises resulted in difficulties to cover even basic costs like teacher salaries, students grants or school maintenance. Moreover, learning is further hampered by a lack of textbooks.

Furthermore, the extreme shortage of funds has had a detrimental effect on the range of activities that the Ministries of Education are able to undertake. Whatever reform ideas are conceived, such as the revision of qualification standards, the guarantee of a basic budget for schools or the access to education and training for all, their implementation has been slow and difficult. In addition, the decentralisation of responsibilities for the management of the vocational education and training to regional authorities will not have a positive impact if it is not accompanied by the allocation of

funds or possibilities for income generation.

Schools must increasingly cope with crisis management. In order to survive they have to identify additional sources of income. This is frequently achieved by selling products manufactured or services provided by the students in a 'production school' setting.

For both employers and trade unions, vocational education and training does not currently rank among the highest priorities. The Ministries of Social Affairs or Labour have become aware of the immense adult training needs to underpin economic restructuring processes. However, the resources of these ministries are also scarce and, for the most part are being utilized for the payment of unemployment benefits.

There are hardly any state funds available to invest in school infrastructure or for the upgrading of vocational education and training. Neither are there funds available for the badly needed teacher (re)-training. All these create a difficult climate for innovation.

Some reform projects with international or bilateral donor support were launched in pilot institutions in agreement with the national authorities. As mentioned in Chapter 2 of this paper, European Union Tacis programmes to reform the vocational education and training sector have started in Moldova, the Russian Federation and Uzbekistan in 1998. The European Training Foundation co-ordinates a project in the Northwest Russian region which is co-financed by five different donors. The project's overall objective is to pilot-test an innovative vocational education and training model. Major components of all the above projects include curricular reforms and institutional developments both at school and administrative levels. This is a promising start, which has to be continued.

In the forthcoming years the New Independent States and Mongolia will have to face the challenge of initiating substantial vocational education and training reforms in the same way as their Central and Eastern European neighbours did. A prerequisite for achieving major change is, however, political and economic stability.

THE MAIN FUNCTIONS OF TRAINING IN THE TRANSITION PERIOD AND RESULTING CHALLENGES

Vocational education and training in countries in transition have remedial, adaptive and pro-active functions. These are interlinked and indicate the significance of the role of vocational education and training:

- to underpin and motivate the economic and social transformation process;
- to prevent and combat the social exclusion of people disadvantaged in the labour market; and,
- to cope with constant technological changes and labour market uncertainty.

As a follow-up to the reforms already initiated, Central and Eastern European countries and the New Independent States are facing the following challenges which will have a major impact on their vocational education and training systems:

Anticipation

Anticipating future skills and market changes are key priorities for countries in transition, if they want their training systems to be responsive and their companies to become and/or remain

competitive. Well-structured institutional arrangements have to be established to anticipate shifts in employment and vocational qualifications. Co-ordination mechanisms have to be set up to ensure the use of forecasts in initial and continuing vocational training, vocational guidance and the work of employment agencies. In addition, individual companies' capacities need to be strengthened to identify their own skill requirements and training needs.

In this context the need to understand the labour market and predict its evolution and the need to understand skill trends and structures resulting from changes in products, technology and forms of work organization are even more important.

Successful anticipation requires the existence of:

- bipartite and tripartite social partnership in actions to anticipate and react to change,
- a credible research base to help vocational education and training institutions respond to changes in the structure of jobs and skills, and
- institutions capable of incorporating anticipation into industrial policies and the management of the companies themselves.

In the absence of clear economic development guidelines, the vocational education and training sector may consult the Ministries of Economy, Labour and other related sector ministries and launch, on its own initiative, sector-related and/or regional analyses to assess economic development and employment perspectives, as well as training capacities and needs.

Management Training

"The key to growth are experienced entrepreneurs."(2) A case study undertaken in the Czech Republic revealed that companies in which foreign shareholders had also invested in the training of managers performed much better than local companies whose managers had not been trained.

Companies in Central and Eastern Europe and the New Independent States require a revolutionary change in management thinking and the development of related management skills to enable them to raise the competitiveness of their companies, as they adapt to new economic conditions. The reorganisation of companies demands that managers and entrepreneurs operating in a context of continual change have the ability to play roles distinct from those of autocratic controllers. This leads inevitably to the development of new entrepreneurial and managerial cultures.

To integrate and operate new organisational structures, managers need to be trained to:

- decentralise decision-making, place wider responsibilities on workers (especially in relation to quality assurance), and encourage innovation;
- flatten hierarchical structures, bringing in new moderating, coaching and guidance roles for management; and
- integrate functions of 'brain and hand' in the workplace by forming multi-task teams of multi-skilled workers responsible for their own work.

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2 Ernesto Preatoni in the Baltic Times, October 15-21, 1998

Managers need to overcome their reluctance to invest in new training, organisational and human resource systems. Training should be reviewed as a long-term investment and as a means to implement business development strategies. Major training and tutoring programmes for new managers are still needed particularly in the case of SME's.

Improved Initial Vocational Education and Training

In order to improve the responsiveness of vocational education and training to new labour market requirements, reforms have to be sustained and extended with a particular view to:

- adjusting existing school infrastructures and programmes to the new economic priorities;
- further reforming qualifications so that they correspond more closely to the needs of the labour market;
- increasing investment in vocational education and training to promote innovation and to ensure higher levels of both participation and attainment;
- re-establishing links between education and training institutions and the world of work and enterprises; and
- placing greater emphasis on the acquisition of transversal competencies ("core competencies"), including technological, social, organisational, linguistic, cultural and entrepreneurial skills, through active types of learning.

All the above aim to improve the employability of young people.

Continuing Training

Mayor transformations in society and the employment situation have profoundly increased the importance of continuing training. Much larger scale continuing training programmes are required than are currently provided in order to underpin and stimulate processes of economic recovery, conversion and diversification.

The economic objectives of continuing training in the transition context concern:

- increasing efficiency and growth;
- avoiding skill shortages that might hamper growth;
- improving considerably productivity and competitiveness; and
- attracting external investment.

In the context of major structural adjustments, continuing training can provide a link between past and future economic activity, ensuring that knowledge and skills of the labour force are adapted to the changes that have already occurred or are likely to occur in the labour market.

In this context, continuing training should not only guarantee the updating of qualifications and skills improvement on a larger scale, but also prepare workers for newly evolving jobs in new areas of economic activity. In this context, continuing training has to take account of the fact that

societies in Central and Eastern European countries and the New Independent States are likely to move away from the concentration on heavy, environmentally dangerous and labour-intensive industries and the provision of raw materials or semi-finished products. The emphasis will be shifted towards high-quality, high-tech products and services. The countries in question are also likely to develop as service economies, as have other industrialised countries. This includes the production sector where a higher emphasis will be placed on services dedicated to the distribution and maintenance of products and the design or research and development of new products.

In addition, companies will, like those in other industrial societies, be confronted with demands to meet ever-changing and continually rising technical and quality standards. Experience from Western countries shows that expected increases in productivity can only be achieved if sufficient investment has been made to prepare the labour force or to reorganise production within companies. SME's require special support in this respect as they find it particularly difficult to incorporate the latest technology or best practice in their working processes and methods.

Training to Combat Social Exclusion

Reforms have so far mainly focused on mainstream developments and students. However, given the projected high levels of unemployment, it is important that those who are long-term unemployed or disadvantaged in some other way, including young people with or without sufficient qualifications, older people, women, ethnic minorities and others are given special assistance to improve their labour market performance and help them find their place in the new society. It is anticipated that without such assistance these groups would become even more removed from the labour market and increasingly socially excluded.

The range of measures need to be tailored to meet individual circumstances and allow each person to follow a planned set of training modules, education, temporary work and work experience. Labour market measures should be linked to local community development and the provision of social, health and welfare services. The individual may participate in a number of activities, including advice, vocational educational and training and work experience facilitated by different providers, but planned in an integrated and co-ordinated way.

Supporting Measures

Supporting measures to enhance the effectiveness of the above described training measures would need to concentrate on the training of trainers and teachers, assessment and certification arrangements, infrastructure development and the ongoing evaluation of human resource development activities. They also require that access to qualifications is opened up by building progression routes horizontally and vertically through the education and training systems, removing barriers to higher level education and training, and creating bridging routes in-between different pathways.

CONCLUSION

Training can no longer be reserved just for the young. We must equip and train the whole of the potential workforce. This statement holds especially true for the transition countries.

There is a dialectic interaction between the economy and vocational education and training provision: economic reforms and the general liberalisation of the system are not only paralleled,

but largely motivated and triggered by vocational education and training reform and vice versa. In order to master the transition process and achieve economic and social progress, which is balanced and sustainable, skilful, adaptable and innovative, people have to be prepared through training or retraining measures.

Fundamental changes are required in the behaviour of the main players of the system, i.e. the state, the institutions, the teachers and 'clients', including students, parents, employers and employees.

Policies need to be balanced, aiming at:

- macro-economic stability through targeting resources;
- containing costs and mobilising additional financial resources;
- promoting educational choices for young people and adults;
- introducing incentives and competition among providers of education and training services;
- regulating labour markets by maintaining qualification standards;
- ensuring access to education and training services for all, including groups who are presently excluded; and
- strengthening institutional capacity to implement the reforms.

The development of the vocational education and training system does not primarily depend on new laws being passed, but first and foremost on new processes being started which are open and where all available national and international knowledge can be used to solve specific problems. Modernisation can be started through experiments and learning processes for all those participating. However, as in other learning processes, desired changes do not occur spontaneously but require careful guidance and support by all partners concerned.

Explanatory note:

This paper has been prepared by the European Training Foundation (ETF).

The European Training Foundation is one of the agencies of the European Union. It was established in May 1990 with the purpose of promoting co-operation and co-ordination of assistance in the field of vocational training reform in Central and Eastern Europe and the New Independent States and Mongolia (called the partner countries). In July 1998 ETF was extended for a second term with extended geographical scope of the Foundation's work to the countries eligible for support from the MEDA Programme.

In addition, the Foundation provides technical assistance for the implementation of the Tempus Programme for co-operation between the European Union and the countries of Central and Eastern Europe, the New Independent States and Mongolia in the field of higher education.

The European Training Foundation operates mainly in the framework of the EU's Phare, Tacis and MEDA Programmes of assistance and partnership with the partner countries.

The scope of activities of the Foundation covers the vocational training field, comprising initial

and continuing vocational training as well as retraining for young people and adults, including in particular management training.

For further details about the Foundation's activities, please consult our web site on www.etf.eu.int or contact the Information and Publications Department, European Training Foundation, Villa Gualino, Viale Settimio Severo 65, I - 10133 Torino, tel: +39 011 630 22 22, fax: +39 011 630 22 00, e-mail: info@etf.eu.int.